

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP () IE () IC Requestor's Name and Address Methodist Specialty & Transplant Hospital C/O Thompson Coe 701 Brazos, Suite 1500 Austin Centre Austin, Texas 78701	Response Timely Filed? (x) Yes () No MDR Tracking No.: M4-03-8958-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address Zenith Insurance Company C/O Stone Loughlin & Swanson, LLP P O Box 30111 Austin, Texas 78755 Box 06	Date of Injury: Employer's Name: Falkin Platnick Realty Group, Inc. Insurance Carrier's No.: 49226000

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
03/06/03	03/11/03	Surgical Admission	\$29,498.83	\$2,236.00

PART III: REQUESTOR'S POSITION SUMMARY

Requestor did not submit a position statement.

PART IV: RESPONDENT'S POSITION SUMMARY

"On March 6, 2003, Claimant was admitted to Provider's facility for back surgery. He was discharged five days later on March 11, 2003. Provider charged Carrier \$60,187.91 for the 5-day admission. Carrier paid Provider under the standard per diem reimbursement method of the ACIHFG. Under that method, Provider is entitled to payment of \$17,878.10. That amount includes per diem payment of \$5,590 (\$1,118 per day x 5 days) plus reimbursement for implants of \$12,288.10 (cost plus ten percent) Carrier has paid Provider this amount."

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the information provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." The operative report indicates that this was a posterior lumbar fusion. The operative report also indicates the patient was sent to the recovery room in stable condition and no complications were noted in the operative report. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The carrier made reimbursement for the 5-day stay in the amount of \$15,642.10. Carrier reimbursed the provider \$3,354.00 for the 5-day stay per the submitted EOB. Per diem for the 5-day stay should be in the amount of \$5,590.00. (5 x \$1,118.00) Even though the Carrier states in their position statement that \$5,590.00 was paid per diem, MDR cannot determine this amount on any of the submitted responses.

The requestor billed \$37,889.00 for the implantables and the carrier made reimbursement in the amount of \$12,288.10 The requestor

submitted an invoice indicating the cost for the implantables in the amount of \$11,171.00. Carrier reimbursed the provider at cost plus ten percent in the amount of \$12,288.10 ($\$11,171.00 \times 10\%$)

Based on the facts of this case, the carrier's reimbursement in the amount of \$3,354.00 for the 5-day stay does not equal the amount of per diem at $5 \times \$1,118.00$. ($5 \times \$1,118.00 = \$5,590.00$), therefore, an additional amount of reimbursement in the amount of \$2,236.00 is recommended. ($\$5,590.00 - \$3,354.00$ already paid = \$2,236.00)

Therefore, based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), we find that the health care provider is entitled to additional reimbursement.

PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is entitled to reimbursement in the amount of \$2,236.00. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 20 days of this Order.

Ordered by:

Michael Bucklin

07/12/05

Authorized Signature

Typed Name

Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on _____. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787 Austin, Texas 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision and Order in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____